

TENANCY AGREEMENTS: SOME POINTS TO WATCH

This month, the new term starts at universities all over the country. Many students will be entering into tenancy agreements, some for the first time. Back at home, others will be sitting out the slow-down in the housing market in rented accommodation.

What sort of agreement?

Most tenancy agreements will be “assured shorthold” agreements, as this is the default position if nothing else is specified. This means that the landlord will be able to get the property back at the end of the period agreed (which must be at least 6 months) simply by giving notice in the prescribed form.

Who should sign?

It is important that everybody who will live in the property is named on the agreement and signs it. If not, particularly in the case of students or non family members, the landlord can regard those who do not sign as licensees. This means that they can be asked to leave (with reasonable notice) at any time, even before the end of the period agreed with the others.

What is a security deposit?

A security deposit is a payment requested by the landlord at the beginning of the tenancy, which he will hold until the end of the term. He will then use it to cover any amounts due from the departing tenants, for example: to repair damage. Any sums not used must be returned to the tenant.

To protect tenants against unscrupulous landlords who fail to return deposits when tenants leave, tenancy deposit schemes came into effect on 6th April, 2007. Any deposit taken since then, in assured shorthold tenancies, must be protected by a tenancy deposit scheme. If they are not, the landlord cannot make use of his right to obtain a court order to get the property back from the tenant.

The landlord has to enter into a government designated tenancy deposit scheme within 14 days of taking the deposit, and provide the tenant with prescribed information.

There are at least three schemes in operation at present.

If a dispute arises between landlord and tenant, then the parties can resolve this through “alternative dispute resolution” (ADR) - a mediation process - or through the courts. Each of the deposit schemes has its own ADR.

For more information, the following websites may be useful:

www.lease-advice.org

www.depositprotection.com

www.thedisputeservice.co.uk

www.mydeposits.co.uk

or you are welcome to contact us with any queries.

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